

As Referendum Looms, Troika Charged with Plotting 'Regime Change' in Greece

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international / prose / post

That elite financial forces in Europe are using financial muscle to provoke political outcomes in Athens has never been more apparent, say critics.



Update (1:20 PM EDT)

According to the Guardian, which is providing [live updates](#) of the negotiations and rallies in Greece, the country's top administrative court has rejected an appeal by two Greek citizens against [Sunday's referendum](#) on the country's bailout package.

"The referendum will be held," said the presiding judge in Greece's Council of State court Nikolaos Sakellariou.

Earlier...

As a Greek court on Friday is scheduled to rule on whether or not Sunday's much-anticipated referendum meets legal standards, critics are saying that what's truly at stake is not whether or not Greece accepts the bailout deal before it, but whether or not the very workings of democracy are being undermined in an increasingly fractious European Union.

Led by Prime Minister Alexis Tsipras, the Syriza party in control of the government has made it clear it wants Greece to vote 'No' as an affirmation of the nation's collective objection to more austerity.

On Thursday, Finance Minister Yanis Varoufakis made the strength of his convictions known by saying he would "prefer to cut off his arm" than sign an agreement without debt relief. Meanwhile, the institutions representing the interests of foreign creditors—the European Commission, the IMF, and the European Central Bank—have indicated a 'Yes' victory would likely force Tsipras and Varoufakis to resign and the current government to dissolve.

Some of the [latest polling](#) out on Friday shows that the 'Yes' and 'No' camps are virtually tied going into Sunday's vote. Both factions also plan to hold large rallies in Athens on Friday night, but the stakes of the vote—whichever way it falls and presuming it takes place as planned—are now seen to reach far beyond the immediate outcome.

Considering developments in Greece since the financial crisis began in 2008, alongside the behavior of the so-called Troika since the Syriza party came into power earlier this year, analysts suggest that powerful financial interests and elite political forces in Greece are executing a slow-yet-coordinated effort to push a democratically-elected government from power and smash populist opposition to corporate rule and austerity policies that have spread across the continent in recent years.

As Daniel Marans and Ryan Grim [report](#) for the Huffington Post on Friday:

Underlying the question of whether European leaders and the Greek state will be able to come to terms amid the financial crisis is one even more fundamental: Is there room in Europe for democracy?

In January, Greek voters elected a government on a platform of anti-austerity, one that argued further cuts would not just be cruel to a people already experiencing 25 percent unemployment, but economically backward as well. European leaders have spent the five months since then doing everything they can to drive that Greek government from power.

If the troika of economic policy-setters succeeds in ousting the Greek government, it will send a clear message to other European Union countries: You are free to hold elections, but the government you elect can only do what we say.

By forcing Greece to accept their terms or leave the euro, leaders of wealthy eurozone nations want to prevent European democracies from stopping their austerity agenda, analysts say. In this interpretation, European leaders are intent on creating a political crisis that will drive Greece's left-wing government from power, thus making it known from Spain to Ireland that resistance is futile.

Offering much the same argument, Guardian columnist Seamus Milne wrote this week: "It's now clear that Germany and Europe's powers that be don't just want the Greek government to bend the knee. They want regime change."

And what's at the heart of this critique is not only how regressive and disastrous the austerity policies have been—which increasing amounts of evidence show—but how the popular will of an entire nation is now being thwarted by financiers in Brussels, Berlin, and beyond.

As Milne explained:

The aim is apparently to humiliate Tsipras and his government in preparation for its early replacement with a more pliable administration. We know from the IMF documents prepared for last week's "final proposals" and reported in the [Guardian](#) that the creditors were fully aware they meant unsustainable levels of debt and self-defeating austerity for Greece until at least 2030, even on the most fancifully optimistic scenario.

That's because, just as the earlier bailouts [went to the banks](#) not the country, and troika-imposed austerity has brought penury and a debt explosion, these demands are really about power, not money. If they are successful in forcing Tsipras out of office, a slightly less destructive package could then be offered to a more house-trained Greek leader who replaced him.

Speaking to the HuffPo, Daniela Gabor, an international finance expert at the University of the West of England's Bristol Business School, said the Troika's use of its financial muscle to provoke political

outcomes has never been more apparent than in the past week, when the ECB cut off a key liquidity program for the Greek banking system which forced the Syriza government to implement capital controls and close the banks on Monday.

Explaining her belief that the cutoff was designed to scare Greek citizens into voting 'Yes' on Sunday, Gabor said: "It is a strategy of forcing the government to have the referendum with capital controls... [and] that is a clear component of this strategy of trying any way to interfere with the political process and create as much panic and fear in the Greek population to vote 'Yes'."

If the Troika succeeds in this kind of effort, according to Milne, the repercussions will be deeply felt not only within Greece, but everywhere that democracy is supplanted by elite interests:

The real risk across [Europe](#) is that if Syriza caves in or collapses, that failure will be used to turn back the rising tide of support for anti-austerity movements such as Podemos in Spain, or Sinn Féin in Ireland, leaving the field to populists of the right.

Either way, any Greek euro deal that fails to write off unrepayable debt or end the austerity squeeze will only postpone the crisis. If the Syriza government survives, it will have to change direction. Its fate, and its chaotic confrontation with the eurozone's overlords, is going to shape all of Europe's future.

With that in mind, Theodoros Karyotis, a sociologist and political activist, writes in a [highly-cited article](#) in Roar Magazine on Thursday, that the demands of social movements in Greece and across Europe must go beyond Sunday's vote with an eye toward both a deeper form of democratic governance and a truly transformative and alternate approach to the neoliberal economic policies that are the cause and the fuel for the current situation in Greece. He writes:

Fear-mongering and propaganda have polarized Greek society and have made it impossible to predict the outcome of the referendum held on Sunday. The fact that the avalanche of criticism by international analysts over the European officials' handling of the crisis falls on deaf ears proves that the real agenda of the powers-that-be is simply to isolate, demoralize and punish the Greek people, thereby ending any prospect of resistance to neoliberal domination on the continent. The Greek people are facing the major challenge of once again overcoming fear, the psychological basis of neoliberal governance, and of finding the integrity to vote NO in the referendum on July 5.

Surely, our task does not end with a NO vote; the formulation of a plan of action that is antagonistic to the neoliberal integration project is still pending, a plan based on the initiative of organized society and on solidarity between the peoples of Europe. Nevertheless, as opposed to the prolongation of austerity, dispossession, suffering and disintegration of the social fabric that will be attested by a YES vote, taking responsibility and embarking on the opportunities that a NO will set in motion is the only option that can strengthen the popular movement, that can open up spaces of intervention of the social forces for the defense of our common goods and the fortification of our collective endeavors.

And finally, with so much still up in the air, it was Tsipras who took to his Twitter account on Friday with this [simple message](#) for Greeks ahead of the vote: "Greek citizens, the time has come for responsibility and democracy. Let's silence fear-mongering and baseless talk of disaster."

He then added: "Let us calmly go to the polls and make our choice by weighing the arguments—not the slogans."

Fair enough.

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Varoufakis defies Lagarde

<http://commondreams.org/news/2015/07/03/referendum-looms-troika-charged-plotting-regime-change-greece>

Jungle Drum Prose/Poetry. <http://jungledrum.lingama.net/news/story-1704.html>